

SPECIAL BULLETIN

Purchase of Medical Care Services N.C. Department of Health and Human Services Office of the Controller

JULY 2005

PURCHASE OF MEDICAL CARE SERVICES PAYMENT PROGRAMS

The information in this bulletin pertains to updates for the following fee-for-service reimbursement programs of the N.C. Department of Health and Human Services:

Adult Cystic Fibrosis Program	Infant Toddler Program (ITP)
Assistive Technology Program	Kidney Program
Cancer Program	Migrant Health Program
Children's Special Health Services (CSHS)	Sickle Cell Program
HIV Medications Program (ADAP)	

NEW INCOME SCALES

Attached is a table showing the updated income scales for the programs listed above. These scales are effective for dates of service on and after July 1, 2005. The HIV Medications Program scale was effective April 1, 2005. Please note that the Cancer Program scale is for gross income; the other scales are for net income.

CSHS PROGRAM

Orthotic and Prosthetic (O&P) Coverage

Effective July 1, 2005 CSHS will no longer review orthotic and prosthetic devices listed on the NC Medicaid Orthotic and Prosthetic Fee Schedule for Medicaid eligible children birth through 20 years of age.

1. Authorization requests for orthotic and prosthetic devices with a code listed on the NC Medicaid Fee Schedule will be denied after 7/1/05 with instructions to process through NC Medicaid unless the criteria is not covered by Medicaid. Please review the Division of Medical Assistance Orthotics and Prosthetics Clinical Policy, Attachment B for the list and instructions at <http://www.dhhs.state.nc.us/dma/mp/mpindex.htm> or read the July 2005 Medicaid Bulletin for instructions and website links.
2. Requests for compression garments for scar management secondary to burns will continue to be reviewed by CSHS. See #3 for the new procedure.
3. Requests for orthotic and prosthetic devices not listed on the NC Medicaid O&P Fee Schedule or meeting Medicaid medical criteria for coverage can be submitted to CSHS for prior approval review. Please review the Division of Public Health website for instructions at <http://www.nchealthychildren.com>. Please submit DHHS Form 3056 (Authorization Request form) and a CMN/PA form with items 1, 2, 5, 7 and 26 completed to POMCS along with the following documentation:

- a letter of medical necessity signed by a physician, physician assistant or nurse practitioner and/or a physical or occupational therapist who is treating the child,
 - an itemized list of components with costs and verification of the catalog price, and
 - the accompanying HCPCS codes.
4. Authorizations approved prior to June 1, 2005 will be honored for payment regardless of the date of delivery.
 5. Orthotic and prosthetic (O&P) device requests received during the month of June 2005 will only be approved for payment if the delivery date is June 30 or before. For O&P devices requested in June where delivery will occur July 1 or later, the provider should process the request through NC Medicaid.

Orthotics and prosthetics devices can be requested and provided through a NC Medicaid enrolled and certified orthotic and prosthetic provider. Therapists, families or case managers should contact a local orthotic and prosthetic provider for information. If a local orthotic and prosthetic provider can not be located, please contact Medicaid's Careline at (800) 662-7030, Beacon Prosthetics and Orthotics in Raleigh at (919) 231-6890 or the Special Needs Hotline at (800) 737-3028 for assistance.

Children and Youth Branch, Pediatric Medical Consultant

The Children and Youth Branch is pleased to announce that Gerri Mattson, MD, FAAP, MSPH has accepted the position of Children and Youth Branch Pediatric Medical Consultant. She is a most welcome addition to the staff. She will assume the position full time in August 2005.

CSHS Publications

All CSHS documents, policies, procedures and updates will be posted on the Children & Youth Branch web site. The web site is: <http://www.nchealthychildren.com>. Providers are asked to please check this web site periodically beginning July 1, 2005.

CSHS List of Covered Diagnoses

The diagnostic list is currently under review. The revised list will be posted on the Children & Youth Branch web site as soon as it is finalized. Providers are asked to periodically check the web site at: <http://www.nchealthychildren.com> beginning July 1, 2005.

CSHS Policies and Procedures

CSHS policies and procedures for requesting prior approval and coverage for pediatric mobility systems, adaptive and assistive devices, child passenger safety restraints, constructed home ramps, medications (prescribed and over the counter), oral formula, nutritional products and supplements, specialized pediatric beds and home health supplies are currently under revision. The revised policies and procedures will be posted on the Children & Youth Branch web site as soon as they are finalized. Providers are asked to periodically check the web site at: <http://www.nchealthychildren.com> beginning July 1, 2005.

INFANT TODDLER PROGRAM

Information for the Infant Toddler Program (ITP) is available at www.ncei.org.

HIV PROGRAM

The NC ADAP Program had been considering the possibility of changing its basic operation from the current “reimbursement” model to a “direct purchase” model program for some time. Reasonable information and evidence were obtained that suggested that by changing to a direct purchase model, the Program might be able to reduce its expenditures (i.e., save some funds in acquiring the HIV medications it provides to its clients), and thereby be able to serve some additional number of clients with the accrued cost savings. This was confirmed by work done for the Program by a consultant between October 2003 and February 2004.

The results of this work were presented at a community meeting in early March. The meeting was extremely positive and constructive, with great thought being given to the implications – both positive and negative – of such a transition. The general consensus reached was that moving to a “direct purchase” model was appropriate if (1) sufficient funds could be saved to enable the Program to serve additional clients; and, (2) the new Program could be developed and implemented with a measure of flexibility that would allow clients to access their medications in a manner that they and their clinician agreed was most appropriate for them (e.g., mailed directly to their home, picked up at an alternative delivery site, etc.).

The ADAP Program prepared and issued a Request for Proposal (RFP) for a company to serve as ADAP’s “central pharmacy” on October 28, 2004. Five proposals were submitted in response to the RFP, with PharmaCare, a Specialty Pharmacy that serves that same role for ADAP Programs in Illinois, Ohio and Hawaii, being awarded the contract. Planning for the transition of the NC ADAP Program to the “direct purchase/central pharmacy” model has been occurring since the contract was awarded in late February, with the target date for the changeover being July 1, 2005.

The Program intends to use whatever savings are obtained to increase the number of individuals served, either by enrolling additional clients, moving individuals from the Special Presidential Initiative to the regular NC Program or by increasing the financial eligibility of the Program. The exact amount that the Program might save and the number of additional clients that might be able to be enrolled in and served by the Program are extremely dependent on a variety of variables, including the medication regimens that clients are actually using, the actual utilization of the medications and the Program by enrolled clients, the availability of new medications, the price of all covered medications, etc. It should be noted, however, that while the anticipated result of such a change to a direct purchase model should be the ability to serve some number of additional clients, it is not currently anticipated that the savings obtained by this change will allow the Program to permanently eliminate the existence of waiting lists and/or to enable the Program to significantly increase the financial eligibility criterion. The actual amount of savings will likely not be known until the revised program is actually in place and running for at least a year.

For additional information regarding the AIDS Drug Assistance Program, please contact Steve Sherman at (919) 715-3111 or by e-mail at [<steve.sherman@ncmail.net>](mailto:steve.sherman@ncmail.net) or Sally Kohls at (919) 733-9602 or by e-mail at [<sally.kohls@ncmail.net>](mailto:sally.kohls@ncmail.net)

MIGRANT HEALTH PROGRAM

The Migrant Health Fee-for-Service Program is operating under the same rules changes that were implemented July 2004. Program updates at this time include an expansion of the formulary, an increase in entry points, and a new phone number for the Program Manager. These updates can be found in the Migrant Health Guidelines on the North Carolina Farmworker Health Program website at www.ncfhp.org and/or the Migrant Health Formulary, posted on the POMCS website at www.dhhs.state.nc.us/control/pomcs/pomcs.htm. If you would like either of these in a paper version or have any questions, please contact Melissa Miles, Program Manager: 919-733-2040, ext. 233.

REPLACEMENT OF CURRENT MEDICAID MANAGEMENT INFORMATION SYSTEM

The Office of Medicaid Management Information System Services (OMMISS) is charged with implementing *NCLeads*, the replacement Medicaid Management Information System (MMIS) for the **North Carolina Department of Health and Human Services** (DHHS). *NCLeads* is currently scheduled for implementation in July 2006.

NCLeads replaces:

- The complete Medicaid System (MMIS+) currently administered by EDS as fiscal agent on behalf of the **North Carolina Division of Medical Assistance** (DMA), and
- Systems used by the **Division of Mental Health, Developmental Disabilities, and Substance Abuse Services** (DMH-DD-SAS) to replace IPRS, and **Division of Public Health's** (DPH) **POMCS** system, and
- *NCLeads* will also provide workflow tools and more automated information exchange capabilities for the **Division of Facility Services** (DFS).

The Web site <http://ncleads.dhhs.state.nc.us> is where providers can learn about *NCLeads* features and the current status of the project, as well as having their questions answered directly. They can also refer to the FAQ's or submit a question. Information about provider participation and training will be posted on this site as it becomes available. This Web site only pertains to the design and implementation of the new *NCLeads* system.

PURCHASE OF MEDICAL CARE SERVICES FORMS

- POMCS has revised some of the following forms. Use of the revised forms will be mandatory effective 10/1/05. Forms are available on the POMCS website at <http://www.dhhs.state.nc.us/control/pomcs/pomcs.htm>
 - DHHS 3014 Financial Eligibility Application - **REVISED**
 - DHHS 3056 Authorization Request - **REVISED**
 - DHHS 3058 Pharmacy Claim
 - DHHS 3202 Order Form
- POMCS Manuals are available on the POMCS website or by using the Order Form or calling Jean Koger at (919) 855-3672. The manual summarizes the programs, outlines the payment process and includes copies of forms and reference materials.

- **Tips on Completion of POMCS Forms**

- Forms should be legible.
- Required fields must be completed or the application will be returned.
- Insurance information (including Medicare) must include policy #, policyholder name and claims address. *Forms with incomplete insurance information will be returned.*
- Alimony and child support must be included as income sources.
- Financial deductions should be included if needed. The state's reimbursement rate for the cost of transportation for medical care has changed to 40.5 cents per mile. (Cancer Program does not allow deductions.)
- Terms and conditions on the financial application must be explained to clients.
- HIV Program authorization request forms:
Must include CD4 count and viral load.
Forms must be signed by a clinician licensed to prescribe medications in North Carolina, which includes Nurse Practitioners and Physician Assistants.

Submit forms to: **Purchase of Medical Care Services**
 DHHS – Controller's Office
 1904 Mail Service Center
 Raleigh, NC 27699-1904

- **Computer Generated Forms**

POMCS cannot accept electronically submitted forms but does welcome computer-generated forms that are submitted manually. Providers who are interested in developing a computer-generated form should contact POMCS Provider Relations at (919-855-3651) to ensure that the forms are formatted according to POMCS standard.

TOLL FREE NUMBERS FOR PATIENT/CLIENT USE

- CARELINE (800-662-7030) – Available to North Carolina citizens to contact any state agency. A Spanish-speaking services representative is available.
- Cancer Control Program (866-693-2656) – Toll-free PATIENT access line
- CSHS Helpline (800-737-3028) – Patient access line

FURTHER INFORMATION

Purchase of Medical Care Services
 DHHS Controller's Office
 1904 Mail Service Center
 Raleigh, NC 27699-1904
 (Fax: 919-715-3848) or call:

Authorization Inquiries	919-855-3701
Claims Inquiries	919-855-3702
Unit Supervisor	Danny Ellis	919-855-3650
Authorization Supervisor	Christy Bradsher	919-855-3652
Claims Supervisor	Vacant	919-855-3653
Provider Relations	Andrea Murphy	919-855-3651

State of North Carolina
Michael F. Easley, Governor
Department of Health and Human Services
Carmen Hooker Odom, Secretary
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